

DETERMINATION AND FINDINGS FOR A SOLE SOURCE CONTRACT

CONTRACT NO: DOC205643

CAPTION: DHCF Data Warehouse Systems Integration & ETL Services

PROPOSED CONTRACTOR: Scalability Experts

PROGRAM AGENCY: Department of Health Care Finance (DHCF)

FINDINGS

1. AUTHORIZATION:

D.C. Official Code §2-354.04, 27 DCMR 27 Sections 1304.2, 1700.2, and Section 404 Procurement Practices Reform Act of 2010 (Act).

2. MINIMUM NEED:

The Department of Health Care Finance (DHCF) has an immediate need for a contractor to provide the implementation and the integration services in support of the deployment and operationalization of a parallel data warehouse (PDW) appliance as part of an ongoing project to establish a DHCF data warehouse (DW).

3. ESTIMATED REASONABLE PRICE:

The estimated fair and reasonable price to provide these services is \$450,000.00. This price was determined through value analysis. We computed the hours needed to complete the specific tasks included in the attached scope of work and the rates associated with the consultant/s to perform each of those tasks. The consultant rates were determined to be reasonable when compared to the GSA price schedule for contractors.

The period of performance is from the date of award to March 31, 2016.

4. FACTS WHICH JUSTIFY SOLE SOURCE PROCUREMENT:

The following facts justify the Sole Source Procurement:

Given the larger capacity of data files the new DWe will process and the need to significantly improve the data query performance associated with the current Xerox/ACS data mart, DHCF has decided to acquire and deploy a new PDW appliance. The PDW will serve as the central back-end system architecture of a new Medicaid Data Warehouse. The PDW is well suited for this project as it is designed to distribute large workloads among multiple semi-independent computing nodes in order to significantly speedup processing and query performance times. This "massively parallel processing" technology should provide better data query and report generation performance metrics in comparison to symmetric multiprocessing systems which use single server systems or clusters.

The Medicaid Data Warehouse project is primarily funded by the Centers for Medicare and Medicaid Services (CMS) which is paying 90% of the project's implementation costs. As such, there are federal requirements¹ for the Medicaid claims processing and reporting systems to be hosted in data center environments that meet with federal standards (HIPAA) for information and data security. CMS also has a certification process to ensure that Medicaid database applications are hosted in data centers that provide back up and disaster recovery capabilities. The Office of the Chief Technology Officer (OCTO) data center meets these requirements, and the PDW will be hosted there. OCTO has a city-wide umbrella contract with Dell. OCTO's data center backbone and communications network infrastructure and security protocols are configured to be compatible with Dell Servers. Given these requirements, DHCF is in the process of purchasing the Analytical Platform System (APS), a PDW manufactured by Dell and which runs on Dell servers, with unique and highly protected network IP addresses.

Unless the APS is correctly installed, configured and tuned, it will not be able to deliver the desired computing performance required to effectively process the large Medicaid data files in the Medicaid data warehouse. An essential part of the installation/tuning process is the configuration of the IP addresses on the appliance to interoperate with the OCTO network infrastructure. Given the proprietary nature of the technology design in the APS and their commitment to support the APS post-installation, this aspect of the installation and configuration process is done exclusively by Dell engineers. Once the APS is correctly installed and optimally tuned, it is ready for the data migration process.

This migration is comprised of two major and necessary parts: 1) The extract, transform and load (ETL) process; and 2) The data configuration process. Both processes must be performed by a services integrator that is trained and certified by Microsoft to work on the APS, and that Dell will allow access to the proprietary IP addresses and other proprietary internal components of the APS.

In addition, Microsoft provides system support for the PDW appliances. Microsoft's providing system support is conditional on the use of an approved Microsoft certified APS systems integrator. Scalability Experts (SE) is a Microsoft certified APS systems integrator.

SE is the only vendor that meets all of the criteria outlined above, and that can perform the systems integration and data migration services needed for this project. As stated in the April 5, 2016 correspondence from Microsoft Corporation, SE's "knowledge and understanding of these unique connections and processing methods coupled with SE's healthcare experience qualifies them as the only vendor who can combine their unique IP with the APS solution for the DHCF APS project."

The fact that SE is the only vendor currently capable of fulfilling the District's minimum requirements for this statement of work, precludes the conduct of a market survey in accordance with, 27 DCMR, 1700.2 (g).

¹ These are requirements driven by HIPAA (45 CFR [Part 160](#)) privacy and security rules designed to protect private health information (PHI).

5. CERTIFICATION BY AGENCY HEAD:

I hereby certify that the above findings are true, correct and complete.

Date

Wayne Turnage
Director, DHCF

6. CERTIFICATION BY CONTRACTING OFFICER:

I have reviewed the above findings and certify that they are sufficient to justify the use of the sole source method of procurement under the cited authority. I certify that the notice of intent to award a sole source contract was published in accordance with 27 DCMR 1304. I recommend that the Chief Procurement Officer approve the use of the sole source procurement method for this proposed contract.

Date

Kenneth Evans
Contracting Officer

DETERMINATION

Based on the above findings and in accordance with the cited authority, I hereby determine that it is not feasible or practical to invoke the competitive solicitation process under either Section 402 or 403 of the District of Columbia Procurement Practices Reform Act of 2010 (D.C. Law 18-371; D.C. Official Code § 2-354.04). Accordingly, I determine that the District is justified in using the sole source method of procurement.

Date

George Schutter
Chief Procurement Officer